

State-owned banks' losses widened nearly 3.5 times in Jul-Sep

PTI

f t in 0 0



FILE PHOTO - REUTERS

NEW DELHI, NOVEMBER 18

State-owned banks saw their cumulative losses widen nearly three-and-a-half times to Rs 14,716.2 crore in the July-September quarter of the current fiscal due to mounting bad loans.

These 21 public sector banks had posted a net loss of Rs 4,284.45 crore in the September quarter of 2017-18.

On a quarterly basis, however, their performance was somewhat better as they narrowed down their losses by about Rs 2,000 crore to Rs 14,716.2 crore in the said quarter from Rs 16,614.9 crore in April-June 2018.

Higher provisioning towards bad loans or non-performing assets (NPAs) had impacted the balance sheets of these PSU lenders.

As per the financial results posted by them, the biggest loss was posted by scam-hit Punjab National Bank (PNB) Rs 4,532.35 crore in the September quarter of the current fiscal as against a profit of Rs 560.58 crore in the year-ago period.

PNB's provisioning for bad loans and contingencies rose to Rs 9,757.90 crore for the quarter from Rs 2,440.79 crore a year ago. Of this, the provisions for bad loans or NPAs were Rs 7,733.27 crore as against Rs 2,693.78 crore a year ago.

The India's second largest PSU bank suffered huge losses after the detection of a massive fraud to the tune of nearly Rs 14,000 crore in March quarter this year, allegedly committed by diamond jewellery designer Nirav Modi and his associates. The bank had to make provisioning for the losses.

IDBI Bank posted a loss of Rs 3,602.50 crore and Allahabad Bank Rs 1,822.71 crore in the September quarter. IDBI Bank's loss was Rs 197.84 crore in the year-ago quarter while Allahabad Bank had posted a profit of Rs 70.2 crore.

The narrowing of the cumulative net losses on quarter-on-quarter basis could be mainly attributed to good performance by State Bank of India and Oriental Bank of Commerce.

SBI, which had incurred a net loss of Rs 4,875.85 crore in the June quarter, posted a profit of Rs 944.87 crore for July-September. Oriental Bank of Commerce posted a profit of Rs 101.74 crore as against a net loss of Rs 393.21 crore in the June quarter of the current fiscal.

The combined loss of these 21 banks was Rs 62,681.27 crore in the quarter ending March 2018.

The government and the RBI have been taking steps to help the debt-ridden public sector banks to improve their performance. The government on its part has been infusing capital in these banks and the Reserve Bank of India has tightened monitoring.

Published on November 18, 2018

TOPICS

[public sector banks](#) [PNB Scam](#) [Punjab National Bank](#)

Previous Story

[SBI YONO suspends paperless a/c opening via Aadhaar](#)

Next Story

[FinMin, RBI consensus likely on some issues at Nov 19 meet](#)

Get more of your favourite news delivered to your inbox

Email

Subscribe

Promoted Content

Recommended by



With good health on your side, you can unlock all that life has to offer.
Abbott

More From The Hindu Business Line

Barcelona: the captivating city which is always fully awake
Air France



Prepare for a global career with PG Program in Blockchain Technology &...
careersoftomorrow.amityonline.com



World Bank bars several Indian companies for corrupt practices



Survey gives thumping majority to Cong in Rajasthan, simple majority in MP



Binny Bansal's email to Flipkart employees



Sundram Fasteners Ltd bags Deming Prize



Vinod Dasari leaves Ashok Leyland after 14 years at the wheel



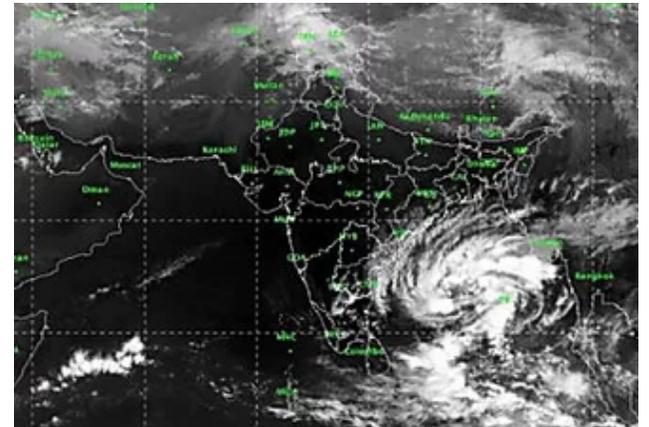
NTR's granddaughter Suhasini to contest in Telangana



It costs the RBI more to print a ₹20 note than a ₹50 bill



Work on IOC's Kochi LPG terminal to begin in Jan



Cyclone 'Gaja' shifting track to align with Tamil Nadu coast

MORE FROM BUSINESSLINE

Tax Talk



I am a housewife aged 68 years. I invest in shares and mutual funds with the amount received from my son as gift. I receive interest income and also income from short- and long-term capital gains. All

'Two-factor authentication in India far more secure than digital payments in US'



Saket Modi, Chief Executive and co-founder of Lucideus Technologies, has categorically stated that the digital payment companies in the US were 8 times more vulnerable to fraudulent attacks compared t

PPF: What you need to take note of



Here are some operational aspects of the debt scheme you must be aware of

Write a comment

1000

or

Name

Email

I agree with Vuukle's [Privacy Policy](#)

POST

TALK OF THE TOWN



How delays are throwing a spanner in the IBC works

9 comments



The hidden costs of green energy

9 comments



Rafale deal: Centre says procurement procedure 'completely followed'

6 comments



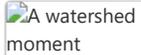
Unanswered questions over the Rafale deal

5 comments



PM Modi inaugurates India's first multi-modal terminal on inland waterways

4 comments



A watershed moment

A watershed moment

4 comments

[Show more articles](#)

1. Comments will be moderated by The Hindu Business Line editorial team.
2. Comments that are abusive, personal, incendiary or irrelevant cannot be published.
3. Please write complete sentences. Do not type comments in all capital letters, or in all lower case letters, or using abbreviated text. (example: u cannot substitute for you, d is not 'the', n is not 'and').
4. We may remove hyperlinks within comments.
5. Please use a genuine email ID and provide your name, to avoid rejection.